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TRANSMITTAL FORM <i>(to be used for all correspondence after initial filing)</i>		Application Number	09/298,417
		Filing Date	April 23, 1999
		First Named Inventor	Holm-Blagg, Lynn
		Art Unit	3624
Total Number of Pages in This Submission		Examiner Name	Alain L. Bashore
		Attorney Docket Number	020375-022000US

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By Nina L. McNeill

Nina L. McNeill

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re application of:

Lynn Holm Blagg et al.

Application No.: 09/298,417

Filed: April 23, 1999

For: METHODS FOR PROCESSING A
GROUP OF ACCOUNTS
CORRESPONDING TO DIFFERENT
PRODUCTS

Examiner: Alain L. Bashore

Art Unit: 3624

REQUEST FOR REINSTATEMENT

Mail Stop Appeal Brief - Patents
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Sir:

In response to Applicants' Appeal Brief filed on July 1, 2003 prosecution was reopened. Applicants hereby request that the Appeal be reinstated and has filed a Supplemental Appellant Brief as required by 37 C.F.R. 1.193(b)(2)(ii) concurrently herewith.

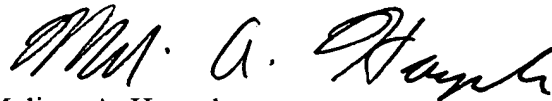
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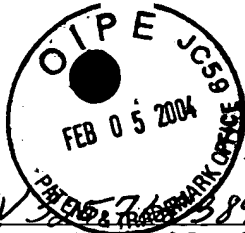
Respectfully submitted,



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By: Kira L. McNeill

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE BOARD OF PATENT APPEALS AND INTERFERENCES**

In re application of:

Lynn Holm Blagg et al.

Application No.: 09/298,417

Filed: April 23, 1999

For: METHODS FOR PROCESSING A
GROUP OF ACCOUNTS
CORRESPONDING TO DIFFERENT
PRODUCTS

Examiner: Alain L. Bashore

Technology Center/Art Unit: 3624

SUPPLEMENTAL APPELLANT BRIEF

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Appellants offer this Supplemental Brief in support of the Request for Reinstatement of Appeal submitted concurrently. This Brief is submitted in triplicate as required by 37 CFR §1.192(a).

1. Real Party in Interest

First Data Corporation is the real party in interest as the assignee of the above identified application.

2. Related Appeals and Interferences

It is not believed that any other appeals will directly affect, or be directly affected by this appeal. However, Appellants have appealed U.S. Patent Application No. 09/298,521 which shares a common specification and filing date with the application at issue in this appeal brief. Further, the aforementioned appeal stems from prosecution proceeding in front of the same examiner, Examiner Bashore, as that of the present application. Accordingly, the aforementioned appeal may have some bearing on the Board's decision in the pending appeal.

3. Status of Claims

For the purposes of narrowing issues on appeal, Appellants canceled claims 62-72 without prejudice for re-filing at a later date in Appellants' Appeal Brief filed on July 1, 2003. Thus, claims 9-22 and 73-75 remain pending, and are presented for review in this appeal. Claims 9 and 17 are as most recently amended in Appellants' response filed February 21, 2003. Claims 10-16, and 18-22 are as originally filed, and claims 73-75 are as previously added.

Claims 9-22 and 73-75 stand rejected under 35 U.S.C. § 103(a) as being obvious over Watson U.S. Patent 5,978,780 (hereinafter "Watson") in view of Musmanno, et al. U.S. Patent 5,826,243 (hereinafter "Musmanno").

4. Status of Amendments

No amendments have been filed subsequent to the Office Action of June 9, 2003.

5. Summary of the Invention

The material in the section entitled "Summary of the Invention" in Appellants' Appeal Brief filed on July 1, 2003 is hereby incorporated by reference.

6. Issue

Whether claims 9-22 and 73-75 are unpatentable under 35 U.S.C. § 103(a) over Watson in view of Musmanno.

7. Grouping of the Claims

For the purposes of this appeal, all claims stand or fall together.

8. Argument

All the claims stand rejected under 35 U.S.C. § 103(a) as unpatentable over Watson in view of Musmanno. For this rejection to be proper, at least two basic criteria must be met: (1) the cited references must teach, disclose, or suggest all of the claim limitations, and (2) there must be some suggestion or motivation to combine the cited references in a way that renders the claims at issue obvious. In this case, neither of the criteria are met.

Rather, the examiner has improperly stripped the claims at issue of meaningful words, phrases, and/or limitations to create a straw man that is then subjected to the rejection. *See e.g., In re Wilson*, 424 F.2d 1382, 1385, 165 U.S.P.Q. 494, 496 (CCPA 1970) ("All words in

a claim must be considered in judging the patentability of that claim against the prior art."). Then, the examiner improperly proceeds to use this subset of the claim language as a blueprint for assembling a mosaic extracted from the cited art to create a facsimile of the inventions as claimed. *See e.g., Interconnect Planning Corp. v. Feil*, 227 U.S.P.Q. 543, 547-551 (Fed. Cir. 1985) ("[t]he invention must be viewed not with the blueprint drawn by the inventor, but in the state of the art that existed at the time [of invention].").

As one example of the straw man approach, claim 9 is set forth below in its entirety. The portions that the examiner alleges to be disclosed by Watson are marked with a single underline and those from Musmanno are marked with a double underline. Those portions set forth in bold are not even alleged to be included in any of the references.

9. A method for applying a group payment to a group, the group comprising a plurality of accounts spanning a plurality of credit products, comprising the steps of:
 receiving a payment at a payment processor and entering the payment into a computer system;
 determining that the payment is a group payment, wherein determining that the payment is a group payment includes identifying one or more accounts to which the payment is associated and determining that the one or more accounts are associated with a group;
 determining which accounts are included in a group payment allocation defined in relation to the group;
 comparing the group payment to a group balance, wherein the group balance indicates a liability due in relation to one or more accounts associated with the group payment allocation;
 based upon the comparison between the group payment and the group balance, identifying a group payment option using the computer system;
 calculating the group payment allocation in the computer system using the group payment option, the group payment, the group balance, and the balances of the accounts included in the group payment allocation; and
 applying the group payment to the accounts included in the group payment allocation, wherein a liability associated with one or more accounts included in the group payment allocation is reduced through application of at least a portion of the payment.

As can be graphically appreciated, the rejection fails to even address a considerable portion of claim 9. As a proper rejection must consider all words of the claims, the

present rejection fails to present a prima facie case of obviousness, and thus should be withdrawn and the claims at issue allowed.

Further, not only does the rejection fail to consider all the words of claim 9 as required, the cited art fails to disclose, teach or suggest various of the elements that the rejection actually did address. As presented, Appellants' claim 9 provides for receiving a payment directed to a group of accounts. The amount of the payment is compared to a group balance that indicates a liability due in relation to one or more accounts. Based at least in part on this comparison, a group payment option is identified. Thus, the allocation of the received payment between the group of liabilities is at least partially based on the amount of the payment in relation to the total liabilities of various accounts. See e.g., Application at p. 35, l. 23 - p. 36, l. 13. As a specific example to which the claim can be applied, if the received payment is greater than or equal to the last statement balance for the group, then the payment is applied to each of the accounts included in the group allocation, and any remainder is applied to a designated account within the group. Application at p. 36, ll. 16-30. Alternatively, where the received payment is less than the last statement balance for the group, the payment is allocated between the various accounts, albeit in a different manner. Application at p. 36, l. 31 - p. 38, l. 15.

In stark contrast, none of the cited references include comparing a payment to a group of liabilities to determine how that payment is allocated between accounts. Rather, the art cited for this proposition, Watson, teaches a consolidated billing system that generates a single household bill for services used by the household. See Watson at col. 2, ll. 6-26. Each service establishment providing goods and services to a household provides a personal settlements exchange with the billing detail for the household. Id. A consolidated bill is then generated. Id. After a predetermined amount of time has passed, the total payment amount is electronically debited from the bank which the household wishes to have their payments made. Id. at col. 2, ll. 26-32; col. 4, ll. 55-59.

If the total amount cannot be collected, the system may retry the debits for a number of times and/or may shift to alternate payment sources. Id. at col. 19, ll. 15-17; col. 17, ll. 62-64. In the preferred embodiment of Watson, if the total amount still cannot be collected,

the personal settlements exchange makes the payment(s) to the service establishment. Id. at col. 21, ll. 7-14; col. 12, ll. 16-29. Alternately, the payment due dates may be rescheduled over a longer time period or partial payments may be collected. Id. at col. 19, ll. 14-20. Partial payments are used to pay off service providers in a priority list specified by the household. Id. at col. 19, ll. 36-56. A payment option for the group of accounts is not identified based on a comparison between the group payment to the group balance. Thus, Watson clearly cannot teach calculating the group payment allocation using a group payment option that it does not identify.

Musmanno also fails to disclose the recitations of claim 9 discussed above. Musmanno is directed toward a data processing system for managing multiple accounts. See Musmanno at col. 2, l. 66 - col. 3, l. 8. The accounts managed by Musmanno are asset accounts, not liability accounts. Thus, Musmanno clearly does not disclose calculating a group payment allocation for a group balance liability.

As the cited references fail to disclose, teach, or suggest a number of the limitations of claim 9, including those specifically discussed above, the rejection should be withdrawn and claim 9 allowed. Claim 17 contains recitations similar to those discussed with reference to claim 9 and is also believed to be allowable for at least the same reasons. Claims 10-16 and 18-22 depend on claim 9 or 17. The Office Action fails to address, or even acknowledge, the recitations of these claims. However, Appellants' believe that these claims are allowable for at least the reasons discussed above.

The Office Action also fails to address or acknowledge the recitations of claims 73-75. Applicant submits that the recitations in these claims are also not disclosed, taught, or suggested by the references. Accordingly, these claims are also believed to be allowable.

In addition to the failure of the cited references to teach or suggest all of the recitations of the claims, Appellants' submit that there is no suggestion or motivation to combine the references. The suggestion or motivation to combine must be found in the cited art, and not derived from Appellants' disclosure. *See e.g., In re Vaeck*, 947 F.2d 488, 20 U.S.P.Q.2d 1438 (Fed. Cir. 1991). Furthermore, "[t]o support the conclusion that the claimed invention is directed

to obvious subject matter, either the references must expressly or impliedly suggest the claimed invention or the examiner must present a convincing line of reasoning as to why the artisan would have found the claimed invention to have been obvious in light of the teachings of the references." *Ex parte Clapp*, 227 U.S.P.Q. 972, 973 (Bd. Pat. App. & Inter. 1985).

Watson's system is an integrated billing system for billing and collecting a household's liability accounts. In contrast, Musmanno teaches a financial management system to manage asset accounts. There is no motivation to combine these systems. The Office Action includes a number of highly conclusory statements that merely recite properties of the individual references. These statements do not demonstrate a reasoned basis why those particular references would be selected by one of skill in the art and what explicit or implicit teachings from them suggest the combination. The Court of Appeals for the Federal Circuit has repeatedly emphasized the need to apply the requirement that there be a motivation to combine references rigorously, cautioning that such rigor is "the best defense against the subtle but powerful attraction of hindsight-based obviousness analysis." *In re Dembiczak*, 50 USPQ2d 1614, 1617 (Fed. Cir. 1999). The Examiner appears to be engaging in exactly the impermissible hindsight analysis that the rigorous nature of the requirement is intended to prevent. The proffered reasoning is nonspecific and fails to "explain the reasons one of ordinary skill in the art would have been motivated to select the references and to combine them to render the claimed invention obvious." *In re Rouffet*, 47 USPQ2d 1453, 1459 (Fed. Cir. 1998).

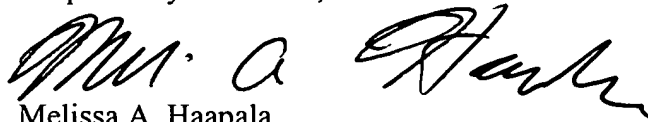
9. Conclusion

Appellants believe that the above discussion is fully responsive to all grounds of rejection set forth in the application. It is believed that no fee is required for filing the Request for Reinstatement of Appeal or this Supplemental Appellant Brief. Should the Patent Office determine otherwise, however, please deduct the requisite fee from Deposit Account 20-1430.

Appl. No. 09/298,417
Supplemental Appeal Brief dated February 5,
2004

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APPENDIX

The claims pending in the application are as follows:

9. (previously presented) A method for applying a group payment to a group, the group comprising a plurality of accounts spanning a plurality of credit products, comprising the steps of:

receiving a payment at a payment processor and entering the payment into a computer system;

determining that the payment is a group payment, wherein determining that the payment is a group payment includes identifying one or more accounts to which the payment is associated and determining that the one or more accounts are associated with a group;

determining which accounts are included in a group payment allocation defined in relation to the group;

comparing the group payment to a group balance, wherein the group balance indicates a liability due in relation to one or more accounts associated with the group payment allocation;

based upon the comparison between the group payment and the group balance, identifying a group payment option using the computer system;

calculating the group payment allocation in the computer system using the group payment option, the group payment, the group balance, and the balances of the accounts included in the group payment allocation; and

applying the group payment to the accounts included in the group payment allocation, wherein a liability associated with one or more accounts included in the group payment allocation is reduced through application of at least a portion of the payment.

10. (original) The method of Claim 9, wherein the step of determining which accounts are included in a group payment allocation comprises:

determining which accounts were included in the group balance on a last group statement.

11. (original) The method of Claim 9, wherein the group balance is a group minimum payment due.

12. (original) The method of Claim 9, wherein the group balance is a group last statement balance.

13. (original) The method of Claim 9, wherein the group balance is a group delinquency amount.

14. (original) The method of Claim 9, further comprising the steps of:
determining whether the group payment is subject to an allocation instruction;
if the group payment is subject to the allocation instruction, then applying the group payment to the accounts in the group according to the allocation instruction.

15. (original) The method of Claim 9, wherein the allocation instruction is a standing instruction that applies to all payments received.

16. (original) The method of Claim 9, wherein the allocation instruction applies to a specific payment received.

17. (previously presented) A method for applying a group payment to a group, the group comprising a plurality of accounts spanning a plurality of products, including a key account and a dependent account, comprising the steps of:

entering a payment into a computer system;
determining whether the payment is a group payment;
determining whether payment for the dependent account is due from a primary owner for the group or from a dependent cardholder associated with the dependent account

wherein the primary owner for the group is associated with the key account and the dependent cardholder is associated with the dependent account;

determining that payment for the dependent account is due from the primary owner for the group, and applying the group payment to the key account and the dependent account by:

using a computer system to access a database, and to determine a group balance from information accessed from the database;

comparing the group payment to a group balance;

based upon the comparison between the group payment and the group balance, identifying a group payment option;

allocating the group payment between the key account and the dependent account based upon the group payment option, the group payment, the group balance, a key account balance and a dependent account balance; and

applying the group payment in accordance with the allocation to reduce a liability due in association with at least one of the dependent account and the key account.

18. (original) The method of Claim 17, further comprising the step of:
if the group payment exceeds the group balance, then allocating an amount of the group payment that exceeds the group balance to the key account.

19. (original) The method of Claim 17, wherein the group balance is equal to a sum of a key account last statement balance and a dependent account last statement balance, further comprising the step of:

if the group payment equals the group balance, then allocating the payment to the key account and the dependent account to satisfy the key account last statement balance and the dependent account last statement balance.

20. (original) The method of Claim 17, wherein the group balance equals a sum of a key account minimum payment due and a dependent account minimum payment due, further comprising the step of:

if the group payment equals the group minimum payment due, then allocating the group payment to the key account and the dependent account to satisfy the key account minimum payment due and the dependent account minimum payment due.

21. (original) The method of Claim 17, further comprising the steps of:

if the group payment does not equal the group balance, then determining a second group payment option; and

allocating the group payment to the key account and the dependent account in accordance with the second group payment option.

22. (original) The method of Claim 17, further comprising the steps of determining whether the group payment is subject to an override instruction;

if the group payment is subject to the override instruction, then allocating the group payment between the key account and the dependent account in accordance with the override instruction.

73. (previously presented) A method for applying a group payment to a group of accounts, comprising the steps of:

using a computer system, providing a document containing a request for payment, wherein the request for payment includes a payment amount that satisfies an outstanding balance on at least one credit account;

receiving a payment, wherein the payment is associated with the at least one credit account;

using the computer system, identifying a group of accounts associated with the at least one credit account; and

in an automated manner, applying a portion of the payment to the at least one credit account, and to at least one other account within the group of accounts.

74. (previously presented) The method of claim 73, the method further comprising:

determining that the payment is a group payment;

comparing the payment to a group balance, wherein the group balance is an aggregate of outstanding balances on at least two accounts within the group of accounts; and

wherein applying the portion of the payment to the at least one credit account, and to the at least one other account within the group of accounts is based at least in part upon the comparison between the payment and the group balance.

75. (previously presented) The method of claim 74, the method further comprising:

identifying a group payment option; and

calculating the portion of the payment to be applied to the at least one credit account, and the portion to be applied to the at least one other account based at least in part on the group payment option.